GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:33
ANSWERED ON:01.12.2015
Corruption in PDS
Choudhary Shri Ram Tahal;Jadhav Shri Prataprao Ganpatrao

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government is aware of alleged corruption in the Public Distribution System(PDS) hindering the supply of essential commodities to the poor people, if so, the details thereof and the reasons therefor;
(b) the number and nature of cases of alleged corruption/irregularities reported and the action taken thereon during each of the last three years, State-wise; and
(c) the details of the action plan formulated to revamp, strengthen and streamline PDS along with the action taken thereon?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)
(a) to (c): A Statement is laid on the Table of the House.
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STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (c) OF THE STARRED QUESTION NO. *33 DUE FOR ANSWER ON 01.12.2015 IN THE LOK SABHA
(a) & (b): There have been complaints about irregularities in the functioning of the Targeted Public Distribution System (TPDS) including leakage/diversion of foodgrains, foodgrains not reaching the intended beneficiaries, issuance of ration cards to ineligible persons, etc. in some States/regions in the country. TPDS is operated under the joint responsibility of the Central and the State/Union Territory (UT) Governments wherein the operational responsibilities for implementation of TPDS within the State/UT rest with the State/UT Governments concerned. Therefore, as and when complaints are received by the Government from individuals and organizations as well as through press reports, these are referred to the State/UT Governments concerned, if required, for inquiry and appropriate action. A State/UT-wise statement indicating number of such complaints received during the last three years and current year is at Annex −I.
The Public Distribution System (Control) Order, 2001 notified on 31.08.2001 mandates the State / UT Governments to carry out all required action to ensure smooth functioning of TPDS. Under the said Order, the State / UT Governments are responsible for implementing TPDS and are competent to take action against those indulging in malpractices in TPDS by invoking provisions of clauses 8 & 9 of the said Order. The PDS (C) Order, 2001 has been superseded by the TPDS (C) Order, 2015 notified on 20.03.2015 in consonance with NFSA, 2013. The provisions of the PDS (C) Order, 2001 shall be effective in States/UTs which have not implemented the NFSA or are implementing it only in part. An offence committed in violation of the provisions of these Orders is liable for penal action under the Essential Commodities Act, 1955. Thus, both the Orders empower State/UT Governments to take punitive action in case of contravention of relevant provisions of these Orders. State/UT-wise details regarding action taken under clauses 8 & 9 of the PDS (Control) Order, 2001 during the last three years and current year is at Annex -II.
(c): A Nine Point Action Plan for curbing the leakages/diversion of foodgrains under TPDS was evolved in July, 2006 in consultation with the State/UT Governments for implementation. Details of the action taken under the Nine Point Action Plan as reported by the States/UTs upto 30.06.2015 is at Annex -III.
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In a continuous endeavour to strengthen and streamline TPDS, the Government has initiated implementation of Component-I of the plan scheme on 'End-to-end Computerisation of TPDS Operations' during the 12th Five Year Plan (2012-17) to ensure transparency and check leakages in the TPDS system. Under the scheme, financial assistance is being provided to States/UTs on cost sharing basis. The cost is being shared on 90:10 basis with North East States and on 50:50 basis with other States/UTs. Under this scheme, as per reports received, as on 31.10.2015, ration card data digitization has been done in 29 States/UTs, ration card data is available on Web Portal in 27 States/UTs, Online allocation is being done in 16 States/UTs, supply-chain management in 8 States/UTs, Transparency Portal set up in 27 States/UTs, online Grievance Redressal Mechanism in 26 and toll free helpline number has been set up in 32 States/UTs.
To curb leakages further, under the NFSA inter alia, States/UTs have been asked to either do cash transfer of food subsidy under Direct Benefit Scheme (DBT) or install electronic Point of Sale Device (ePoS) at the Fair Price Shops (FPSs). So far, more than 51,000 FPSs are automated across the country.
The National Food Security Act, 2013 (NFSA) also encourages progressive reforms in the TPDS.
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